

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Policies and Rules Concerning) CC Docket 94-129
Unauthorized Changes of)
Consumers' Long Distance) DOCKET FILE COPY ORIGINAL
Carriers)

Reply Comments of General Communication, Inc.

General Communication, Inc. (GCI) submits reply comments on the Commission's Notice of Proposed Rulemaking.¹ The Notice invites comment on various rules relating to the form and content of Letters of Agency (LOA).

Introduction

The Commission, on its own motion, began this proceeding to review the policies and propose rules regarding unauthorized changes of consumers' long distance carriers due to the numerous complaints filed with the Commission over the past several years. Most commentors support the positions taken by GCI in its comments. However, there is support to preempt the state commissions on LOA issues, particularly issues related to form and content. GCI does not believe that the state commissions should be preempted, especially when they have mandated a "2-PIC" system, which enables the consumer to choose a

¹Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers, FCC 94-292, released November 10, 1994.

different IXC for interstate and intrastate service.
However, GCI supports a clearer and independent LOA format.

**The Commission Should Not Preempt State
Authorization of A 2-PIC System**

Many of the commentors suggest that the Commission should preempt inconsistent state regulations on LOAs.² Most of the comments address the specifications by state commissions on font size, type size and other items related to the visual format of the LOA. However, two commentors specifically state that the Commission should not allow a "2-PIC" system.³

As stated in its comments, GCI believes that the Commission should generally prescribe what format the LOA should appear. However, the Commission should not prescribe the exact font or type size. Instead the Commission should generally state that the type and font must be of a readable size and outline a general format. Those rules relate solely to the format and should be general.

However, the Commission should not preempt any state that institutes a "2-PIC" system. Several commentors agree with GCI's position.⁴ The Commission must change its proposed rules so that the "2-PIC" system now operating in

²Comments of ACC, ACTA, Comptel, Hi-Rim Communications, LDDS Communications, LD Services, One Call and Sprint.

³Comments of Comptel and LDDS.

⁴Comments of Allnet and GTE.

Alaska and Hawaii and being considered in several other states can continue. A "2-PIC" system enables the consumer to exercise more choice of its long distance providers and allows the consumer to receive the full benefits of competition. The Alaska Public Utilities Commission (APUC) instituted this system during its proceeding to create rules for intrastate interexchange competition. The regulations require intrastate equal access that enables a subscriber to pick different interexchange carriers in the different jurisdictions, if the customer so desires.⁵ "2-PIC" equal access exists in all exchanges where GCI offers originating service. Under this system, consumers have more choice since they can pick GCI as their primary interexchange carrier for interstate calling and another interexchange carrier in Alaska, Alascom, as their primary interexchange carrier for intrastate calling, or vice versa. The Commission must allow consumers to have more than one primary interexchange carrier under a "2-PIC" system.

GCI's LOA informs the subscriber that they can choose a different carrier for in-state calling and out-of-state calling.⁶ The subscriber is asked to check the appropriate box: GCI Both In-State and Out-of-State; GCI In-State; or, GCI Out-of-State. The language is clear and accurate and fully informs the subscriber of the available choices. GCI

⁵See, 3 AAC 52.333 and 52.334.

⁶See LOA Attached to Comments of GCI.

requests that the Commission modify its proposed rules to support a "2-PIC" system.⁷

Miscellaneous Issues

The Commission sought comment on several additional issues relating to LOAs. GCI agrees with the majority of commentors and the Commission that negative option LOAs should be prohibited.⁸

Most commentors agree that the use of only the name of the carrier that directly provides the service to the customer should be listed on the LOA.⁹ Allowing names of other carriers to be listed on the LOA will only confuse the customer. Most carriers use other carriers facilities to provide service. These connecting or underlying carriers to the primary provider could change over time. If the Commission allowed the listing of those carriers many issues would arise. For example, if any of the carrier listed on the LOA changed, would the carrier be required to notify the customer and get a new LOA? To avoid these problems, the LOA should only list the carrier that sets the rates and provides the service to the customer.

⁷Of course, the Commission should change its proposed rules so that carriers do not have to send out two different LOAs for the interstate and intrastate jurisdiction.

⁸Comments of ACC, AT&T, Communications Telesystem International, LDDS, MCI, National Association of Attorney General's - Telecommunications Subcommittee, NYDPS, and Sprint.

⁹Comments of ACTA, AT&T, Consumer Action, Frontier Communications, LDDS, MCI, Nynex, and Sprint.

GCI does not agree with the proposal of the California PUC which would enable a customer to pick a "PIC freeze" option so that only the LEC would be authorized to change carriers. This will give the LECs substantial anti-competitive incentives. Also, a problem is created for each customer. For example, if one member of the household picks the option, and another authorized person in the household wants to change carriers, they would not be allowed to do so. The customer would presume it was the fault of the carrier and be frustrated by the carrier's inability to switch the customer to the new carrier.

Lastly, most commentators agree that there should be no restrictions on marketing by interexchange carriers when a potential customer calls the carriers' 800 number.¹⁰ If a subscriber calls an interexchange carriers' 800 number, the subscriber is in some way interested in the carrier and its service offerings. The carrier should not be precluded from encouraging those customers to switch to that carrier nor have to go through any further verification procedures, as proposed by some commentators.¹¹

¹⁰Comments of AT&T, GTE, LDDS, Lexicom, MCI, Nynex, and Sprint.

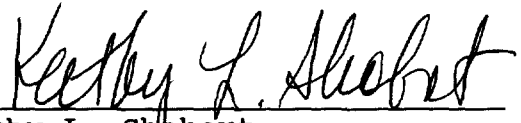
¹¹Comments of Consumer Action, National Association of Attorney General's - Telecommunications Subcommittee, Midcom and NYDPS.

Conclusion

The Commission should modify its proposed rules as outlined above particularly to accommodate states that have implemented 2-PIC.

Respectfully submitted,

GENERAL COMMUNICATION, INC.

A handwritten signature in black ink, reading "Kathy L. Shobert", written over a horizontal line.

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February 8, 1995

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct.
Executed February 8, 1995.



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CERTIFICATE OF SERVICE

I, Kathy L. Shobert, do hereby certify that on this 8th day of February, 1995, a copy of the foregoing was mailed by first class mail, postage prepaid, to the parties listed below.



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